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## GPhA: Misguided Ban on Pro-Consumer Patent Settlements Would Hinder Access to Affordable Medicines

WASHINGTON, D.C. (JULY 21, 2011) – The Generic Pharmaceutical Association (GPhA) today issued the following statement on the Senate Judiciary Committee’s decision to report out a legislative ban on pro-consumer patent settlements.

GPhA is disappointed that the Judiciary Committee has once again controversially reported out this misguided legislation, which would cost consumers and the government billions of dollars and potentially force the removal of lifesaving generic medications from the market.

The legislation considered today by the Judiciary Committee has repeatedly garnered bipartisan opposition and failed to receive support from the full Congress. Moreover, the Courts have consistently held that these settlements are pro-consumer and pro-competitive.

Additionally, the bill includes a provision that would retroactively extend the ban on pro-consumer patent settlements to products already on the market. That means patients who today rely on safe, affordable generic medications for their treatment could potentially lose access to these medications, leaving them with only one, more expensive product as an option.

Patent settlements have never prevented competition beyond a patent’s expiration, and in many cases have resulted in making lower-cost generics available months and even years before patents have expired.

In fact, of the 23 new generic drug launches expected in 2011, settlements made 17 of these possible where the generic will launch prior to a patent’s expiration. That adds up to billions of dollars in savings at a time when lawmakers in Washington and across the country are looking for ways to reduce health care spending.

Generic medications have saved consumers and the U.S. health care system more than \$824 billion over the past 10 years. With U.S. health care costs continuing to spiral further out of control every day, we urge lawmakers to consider policies that promote, not hinder, the use of these safe, effective and affordable medications.

*GPhA represents the manufacturers and distributors of finished generic pharmaceuticals, manufacturers and distributors of bulk pharmaceutical chemicals, and suppliers of other goods and services to the generic industry. Generic pharmaceuticals fill 78 percent of the prescriptions dispensed in the U.S. but consume just 25 percent of the total drug spending. Additional information is available at [gphaonline.org](http://gphaonline.org).*